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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

AZ CORP COMMISSION  
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02518

DOCKET NO. W-02815A-09-0076

IN THE MATTER OF THE  
APPLICATION OF Q MOUNTAIN  
MOBILE HOME PARK FOR  
APPROVAL OF AN EMERGENCY  
RATE INCREASE.

MOTION TO CONTINUE HEARING AND  
CONDUCT PUBLIC COMMENT AND  
PROCEDURAL CONFERENCE IN LIEU  
THEREOF

The Applicant, Q Mountain Mobile Home Park ("Q Mountain"), by and through its attorneys undersigned, respectfully request that the hearing in the above entitled matter currently scheduled for April 3, 2009 at 10:00 a.m. be continued and that in lieu thereof, public comment be taken and a procedural conference be conducted at the same date and time. This motion is supported by the following.

This matter was set for hearing on April 3, 2009 pursuant to Procedural Order dated March 2, 2009. Q Mountain first approached legal counsel regarding representation in this matter on Monday, March 23, 2009. On that date, Staff docketed its Staff Report. Q Mountain is to file its Response to Staff Report by Monday, March 30, 2009. Undersigned legal counsel has not had an opportunity to fully familiarize himself with all of the underlying facts and circumstances in order to adequately prepare a response to the Staff Report by March 30, 2009 or to prepare for a full hearing on April 3, 2009. From the review undertaken to date, it appears to counsel that emergency rate relief may be unnecessary. (See, e.g. letter from Town of Quartzsite attached as Exhibit A.)

1 Q Mountain respectfully requests a continuance to allow its legal counsel to  
2 further explore the facts and either file a motion to withdraw the pending application or, in the  
3 alternative adequately prepare for hearing thereon. Q Mountain believes it would be  
4 appropriate to take comment from any public that may appear on April 3, 2009 and to then  
5 conduct a procedural conference to discuss the procedure to be following in the matter.

6 Commission Staff has been apprised of this request and has authorized the  
7 undersigned to represent that Staff has no objection to continuing the hearing, taking public  
8 comment and conducting a procedural conference on April 3, 2009 at 10:00 a.m. in lieu of a  
9 hearing on the above-referenced application.

10 DATED this 27<sup>th</sup> day of March, 2009.

11 CURTIS, GOODWIN, SULLIVAN,  
12 UDALL & SCHWAB, P.L.C.

13  
14 By: 

15 William P. Sullivan  
16 501 East Thomas Road  
17 Phoenix, Arizona 85012-3205  
18 Attorneys for Q Mountain Mobile Home  
19 Park  
20  
21  
22  
23  
24  
25

1 PROOF OF AND CERTIFICATE OF MAILING

2 I hereby certify that on this 27<sup>th</sup> day of March, 2009, I caused the foregoing  
3 document to be served on the Arizona Corporation Commission by delivering the original and  
thirteen (13) copies of the above to:

4 Docket Control  
5 Arizona Corporation Commission  
1200 West Washington  
6 Phoenix, Arizona 85007

7 COPY of the foregoing hand delivered  
8 this 27<sup>th</sup> day of March, 2009 to:

9 Ms. Janice Alward  
Chief, Legal Division  
10 Arizona Corporation Commission  
1200 West Washington  
11 Phoenix, Arizona 85007

12 Yvette B. Kinsey, ALJ  
Hearing Division  
13 Arizona Corporation Commission  
1200 West Washington  
14 Phoenix, Arizona 85007

15 Mr. Ernest Johnson  
16 Director, Utilities Division  
Arizona Corporation Commission  
17 1200 West Washington  
18 Phoenix, Arizona 85007

19 

20 F:\1890\Pleadings\Mtn to Continue Hrg.doc

# EXHIBIT A



## TOWN OF QUARTZSITE

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Mr. William Sullivan, Esq.  
Curtis, Goodwin, Sullivan, Udall & Schwab, P.L.C.  
501 East Thomas Road  
Phoenix, Az 85012-3205

March 27, 2009

Re: Q Mountain Water Emergency

Dear Mr. Sullivan,

The purpose of this letter is to explain the Town of Quartzsite's position with regard to delivering water to Q Mountain Mobile Home Park (Q Mountain). I understand that Q Mountain intends to file this letter with the Arizona Corporation Commission in an emergency rate proceeding involving Q Mountain.

Q Mountain subdivision has had its own water company and water distribution system for many years. Their wells have struggled to supply the residents of the subdivision. Within the last year or so, most of Q Mountain's water supply was found to be high in nitrates/nitrites. The President of Q Mountain asked the Town for help in this emergency situation.

In October 2008 former Town Manager Dan Field facilitated this situation by agreeing to supply water to their system, declaring an emergency. A commercial backflow device was installed, along with 680 feet of 12" pipe, engineering, etc. and paid for by Q Mountain. The Town installed a commercial meter and the Town started to make water deliveries to Q Mountain in late 2008. Q Mountain only pays the Town for water the Town delivers to it as measured at the commercial meter.

In order to recover the Town's capital cost of providing wells and a backbone water infrastructure, the Town is also individually assessing and billing each property owner connected to the Q Mountain water system (and receiving the benefit of the Town's water supply) the Town's normal capacity fee (currently \$750.00). The capacity fee is a Town charge and is not something Q Mountain is imposing or has agreed to pay.

It is my understanding that the property owners within the Q Mountain water system have expressed support for paying the Town's capacity charge and that the majority of property owners connected to the Q Mountain water system have paid the capacity fee the Town has billed in full or are making installment payments. By doing so, the property owners not only support the Town's action in addressing the emergency facing Q Mountain, but also avoid being subject to future increases in the Town's capacity fee.

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At present, the Town is reassessing its fee schedule, policies and procedures relating to the provision of water service, and is holding a Public Hearing as part of that process. It is for this reason no written agreement has yet been finalized with Q Mountain.

The Town recognizes that the nitrate/nitrite situation for Q Mountain represents an on-going emergency. The Town commits to provide a water supply to Q Mountain. The Town is aware some property owners are not paying the capacity fee. However, in view of the emergency situation involved, the Town agrees it will not terminate service to Q Mountain based upon the payment status of the capacity fees.

I hope this letter assists you in answering the Commission's questions and concerns regarding this situation. In summary, the Town does not view the payment or collection of the Town's capacity fee as a Q Mountain obligation and will not terminate service to Q Mountain if individual property owners do not pay the Town's capacity fee.

Please do not hesitate to contact me if you require any further information or assistance.

Sincerely,



Alex Taft, Interim Town Manager